

Article - Health - General

[\[Previous\]](#)[\[Next\]](#)

§19–326.1. IN EFFECT

- (a) (1) In this section the following words have the meanings indicated.
- (2) “Acquisition” means:
 - (i) Any transfer of stock or assets that results in a change of the person or persons who control a health care facility; or
 - (ii) The transfer of any stock or ownership interest in a health care facility in excess of 25%.
- (3) “Closure” means the complete cessation of all services in a health care facility whose rates are set by the Commission.
- (4) “Commission” means the State Health Services Cost Review Commission.
- (5) “Downsize” means to reduce the number of employees of a health care facility by at least 17 full-time equivalent employees in any consecutive 3-month period.
- (6) “Full delicensure” means the total withdrawal by the Secretary of the license to operate services in accordance with the process established under § 19–325 of this subtitle.
- (7) “Merger” means the union of two or more hospitals by the transfer of all the property of one or more of the hospitals to one of the hospitals that continues to exist.
- (8) “Partial closure” means the closure of a service line of a health care facility whose rates are set by the Commission.
- (9) “Partial delicensure” means withdrawal by the Secretary of the license to operate a portion of beds or services in a health care facility whose rates are set by the Commission in accordance with the process established under § 19–325 of this subtitle.
- (10) “Service line” means a grouping of services into higher level categories that reflect similar clinical delivery.

(b) (1) If a hospital closes, merges, or is fully delicensed under § 19–325 of this subtitle and workers are displaced, each hospital shall pay a fee directly to the Maryland Department of Labor.

(2) The fee may not exceed 0.01 percent of the gross operating revenue for the fiscal year immediately preceding the closure or delicensing of the hospital.

(3) A fee shall only be assessed once for each closure, merger, or full delicensure.

(4) The Secretary of Labor shall pay the fees received under this section into the Hospital Employees Retraining Fund established under § 11–201 of the Labor and Employment Article.

(c) (1) On July 1 each year, each hospital regulated by the Commission shall pay to the Maryland Department of Labor a direct remittance equal to 0.006% of the hospital's total annual revenue approved by the Commission for the hospital for the immediately preceding year.

(2) The Secretary of Labor shall pay the remittance paid under this section into the Hospital Employees Retraining Fund established under § 11–201 of the Labor and Employment Article.

(d) In any year, if the fund balance in the Hospital Employees Retraining Fund is depleted, the Commission shall require each hospital to pay to the Maryland Department of Labor a direct remittance in order to address the needs of any partial closure, downsizing, acquisition, or partial delicensure of a hospital.

(e) The Commission may not raise hospital rates as part of the annual update factor to offset the hospitals' direct remittances to the Hospital Employees Retraining Fund under subsections (c) and (d) of this section.

(f) Each hospital shall submit an annual report to the Commission and the Maryland Department of Labor on:

(1) The number of hospital employees displaced due to layoffs; and

(2) The categories of hospital employees displaced due to layoffs.

(g) An organization representing hospital employees that receives funding from hospitals for the purpose of worker retraining shall submit an annual report to

the Maryland Department of Labor and the Commission that details the funding received and the training provided.

§19–326.1. // EFFECTIVE SEPTEMBER 30, 2023 PER CHAPTERS 489 AND 490 OF 2020 //

If a hospital voluntarily closes, merges, or is delicensed under § 19–325 of this subtitle and workers are displaced:

(1) Each hospital shall pay a fee directly to the Maryland Department of Labor. The fee shall not exceed 0.01 percent of the gross operating revenue for the fiscal year immediately preceding the closure or delicensing of the hospital. A fee shall only be assessed once for each voluntary closure, merger, or delicensure.

(2) The Secretary of Labor shall pay the fees received under this section into the Hospital Employees Training Fund established under § 11–201 of the Labor and Employment Article.

[\[Previous\]](#)[\[Next\]](#)